



10400 Detrick Avenue
 Kensington, MD 20895-2484
 (240) 627-9425



BUDGET, FINANCE AND AUDIT COMMITTEE

April 20, 2021

10:00 a.m.

Livestream: <https://youtu.be/8SEUPHi-xHQ>

Participation by HOC staff and Commissioners will be via live-stream and/or teleconference. Participation by the public should be by live-stream. Please see Corona Disease (COVID-19) State of Emergency Open Meeting Procedures and HOC's website for more information

<https://hocmc.org/images/files/committee/2021/EmergencyProceduresNoticeBFACommitteeMeeting04202021.pdf>

Approval of Minutes:

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Minutes

HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY
10400 Detrick Avenue
Kensington, Maryland 20895
(240) 627-9425

Budget, Finance and Audit Committee Minutes

February 23, 2021

For the official record of the Housing Opportunities Commission of Montgomery County, an open meeting of the Budget, Finance and Audit Committee was conducted via an online platform and teleconference on Tuesday, February 23, 2021, with moderator functions occurring at 10400 Detrick Avenue, Kensington, Maryland beginning at 10:05 a.m. Those in attendance were:

Present

Richard Y. Nelson, Jr., Chair – Budget, Finance and Audit Committee
Roy Priest - Commissioner
Frances Kelleher – Commissioner

Also Attending

Stacy Spann, Executive Director
Aisha Memon, General Counsel
Terri Fowler
Eugenia Pascual
Ellen Goff
Nicolas Deandreis
Nathan Bovelie
Millicent Anglin
Claudia Wilson

Kayrine Brown, Deputy Executive Director
Cornelia Kent, Chief Financial Officer
Olutomi Adebo
Joan McGuire
Zachary Marks
Charnita Jackson
Jay Berkowitz
Nilou Razeghi
Leidi Reyes

Patrice Birdsong, Spec. Asst. to Commission

APPROVAL OF MINUTES

Commissioner Nelson opened the meeting of the Budget, Finance and Audit Committee with a motion to approve the Minutes of January 29, 2021. The minutes were approved as submitted with a motion by Commissioner Priest and seconded by Commissioner Kelleher. Affirmative votes were cast by Commissioners Nelson, Priest, and Kelleher.

Commissioner Nelson introduced the Commissioners who participate on the Committee, Richard Y. Nelson, Jr., Chair, Roy Priest, and Frances Kelleher.

DISCUSSION ITEMS

1. Fiscal Year 2021 (FY'21) Second Quarter Budget to Actual Statements: Presentation of the FY'21 Second Quarter Budget to Actual Statement

Cornelia Kent, Chief Financial Officer, introduced Olutomi Adebo, Assistant Budget Officer, to provide an explanation of the FY'21 Second Quarter Budget to Actual Statements. Ms. Adebo explained that the Agency ended the quarter with a net cash flow surplus. The surplus resulted in a positive variance. The primary causes were higher cash flow in some of the unrestricted Opportunity Housing Properties. Expenses were lower than budget primarily as a result of lapse in salary and benefits.

Ms. Adebo provided reports on the various funds. Commissioner Kelleher asked about deferred loan payments. Ms. Kent explained that it's County debt and HOC did received a deferment letter from the County for the loans that are on the properties. Commissioner Nelson wanted to know the terms of the deferral. Ms. Kent explained that the terms are based on whether HOC could demonstrate that there was a loss in income as a result of COVID-19 and an increase in expenses then the deferment will be added to the end of the loan.

Commissioner Nelson asked about the HAP payments and revenue. Ms. Kent explained that HOC has gotten more in revenue over periods and if funds are not spent HUD would hold back some of the funds that were front lined. If funds cross over budget years, there is discussion with HUD on reconciliation.

There was no formal action required for full Commission approval.

2. Fiscal Year 2021 (FY'21) Second Quarter Un-Audited Financial Statements: Presentation of the Un-Audited Financial Statements for the Second Quarter Ended December 31, 2020

Cornelia Kent, Chief Financial Officer, introduced Francisco Vega, Assistant Controller, who provided the presentation.

Mr. Vega explained that there was a net increase attributed to capital contributions from the Bauer Park Apartment closing for the first half of FY'21. Mr. Vega reported that the liquidity ratios decreased due to increase in current mortgage liabilities in connection with Westside Shady Grove closing. Mr. Vega also reported that the PNC Recycling Facility was retired on January 28, 2021 using proceeds from the MHDB Series 2021-A Bonds. Commissioner Nelson asked for the definition of the PNC Recycling Facility. Kayrine Brown, Deputy Executive Director, explained that funds were borrowed to redeem the outstanding bonds for CDA at 900 Thayer then Bonds were refunded to create mortgage for the Westside Shady Grove transaction.

Mr. Vega provided explanation of overall agency net income. Commissioner Kelleher asked questions regarding the decrease in investment income. It was explained that interest rates were the primary reason.

There was no formal action required for full Commission approval.

3. Fiscal Year 2021 (FY'21) Second Quarter Budget Amendment: Presentation of the FY'21 Second Quarter Budget Amendment

Cornelia Kent, Chief Financial Officer, introduced Terri Fowler, Budget Officer, who provided the presentation.

Ms. Fowler provided an explanation of the budget reforecast, as well as reduction in County funding. It was explained that income in the General Fund increased due to increased commitment and development fees based on revised schedules for the development projects. Ms. Fowler also reported that income increased in the Opportunity Housing. Development Corporation fees reduced, representing a cash flow paid to the General Fund. Revenues increased in the Commitment and Development Fees. Additional administrative fees were received for COVID related expenses

A motion was made by Commissioner Kelleher and seconded by Commissioner Priest to recommend to the full Commission at the April 7, 2021 monthly Commission meeting. Affirmative votes were cast by Commissioners Nelson, Priest, and Kelleher.

Commissioner Priest commented on the significant impact COVID has had on fiscal positioning and how housing authorities across the country were not as calculating as HOC. Commissioner Nelson agreed and also commented on the work of HOC staff analyzing and appreciating what all the impacts are and providing a plan on how to address those impacts so that we continue on the strong financial path.

4. Uncollectable Tenant Accounts Receivable: Presentation of request to Write-off Uncollectable Tenant Accounts Receivable (October 1, 2020 – December 31, 2020)

Cornelia Kent, Chief Financial Officer, introduced Nilou Razeghi, Accounting Manager, who provided the presentation.

Ms. Razeghi provided an explanation of the Agency's policy for allowance of any tenant accounts receivable balances for more than 90-days. The next anticipated write-off will be for the third quarter fiscal year 2021.

Commissioner Priest commented that the bad debt write-off for this quarter was less than what was reported the previous quarter. Mr. Spann also explained that COVID impact has to be consider on write-off across the portfolio, and reminded that we are in an eviction

moratorium. Ms. Kent also added that these write-offs are for residents who are no longer in our units.

A motion was made by Commissioner Priest and seconded by Commissioner Kelleher to recommend to the full Commission at the April 7, 2021 monthly Commission meeting. Affirmative votes were cast by Commissioners Nelson, Priest, and Kelleher.

There was a detailed discussion by the Commissioners on how to present the following property management contract renewals. Commissioners provided suggested recommendations for the Executive Director and staff to consider.

5. Forest Oak Towers – Property Management Contract: Presentation of request to Renew the Property Management Contract of Forest Oak Towers

Jay Berkowitz, Asset Manager, provided individual presentations.

6. Diamond Square – Property Management Contract: Presentation of request to Renew the Property Management Contracts at Diamond Square

Jay Berkowitz, Asset Manager, provided the presentations.

7. Alexander House Apartments, Georgian Court, Stewartown Homes, Glenmont Crossing, Glenmont Westerly, and Brookside Glen – Property Management Contract: Presentation of request to Renew the Property Management Contracts at Alexander House Apartments, Georgian Court, Stewartown Homes, Glenmont Crossing, Glenmont Westerly, and Brookside Glen

Millicent Anglin, Asset Manager, provided the presentation. Commissioner Kelleher commented that the charts presented are what the Board would be looking for when request for renewals are presented. Commissioner Nelson asked a question regarding Brookside Glen and its REAC score. Ms. Anglin explained that it was due to dry rot and the repairs were made shortly after REAC was completed.

8. MetroPointe Apartments – Property Management Contract: Presentation of request to Renew the Property Management Contracts for Wheaton Metro Limited Partnership and Wheaton Metro Development Corporation

Millicent Anglin, Asset Manager, provided the presentation. Commissioner Nelson asked about the number of spaces rented at the MetroPointe in terms of having appropriate availability. Staff informed that they would research.

9. Greenhills Apartments and Westwood Towers Apartment – Property Management

Contract: Presentation of request to Renew the Property Management Contracts at Greenhills Apartments and Westwood Tower Apartments

Millicent Anglin, Asset Manager, provided the presentation. Commissioner Kelleher had a questions regarding the effect of COVID. Mr. Spann explained that it's not the only property impacted but the only one that was explicitly pointed out. Ms. Anglin reported the affordability had been increased at the property.

Commissioner Nelson had a question on Greenhills in regards to accessibility. Mr. Spann reported that the occupancy is good due to the extensive rehab.

10. Cider Mill Apartments – Property Management Contract: Presentation of request to Renew the Property Management Contract at Cider Mill Apartment

Millicent Anglin, Asset Manager, provided the presentation.

A motion was made by Commissioner Priest and seconded by Commissioner Kelleher to recommend to the full Commission renewal of property management contracts for Forest Oak Towers, Diamond Square, Alexander House Apartments, Georgian Court, Stewartown Homes, Glenmont Crossing, Glenmont Westerly, Brookside Glen, MetroPointe Apartments, Greenhills Apartments, Westwood Towers Apartments, and Cider Mills Apartment with the respective property management companies, at the April 7, 2021 monthly Commission meeting. Affirmative votes were cast by Commissioners Nelson, Priest, and Kelleher.

Commissioner Nelson recommended that a single resolution be created with supporting memorandum of individual renewal request.

The meeting adjourned at 11:19 a.m. on a motion by Commissioner Kelleher and seconded by Commissioner Priest. Next scheduled meeting is April 13, 2021.

Respectfully submitted,

Stacy L. Spann
Secretary-Treasurer

/pmb

Reports

MEMORANDUM

TO: Housing Opportunities Commission Budget, Finance and Audit Committee

VIA: Stacy L. Spann, Executive Director

FROM: Staff: Cornelia Kent Division: Finance Ext. 9754
 Terri Fowler Ext. 9507
 Tomi Adebo Ext. 9472

RE:**Budget Presentation:** Presentation of the FY 2022 General Fund

DATE: April 20, 2021

BACKGROUND:

The FY 2022 Recommended Budget reflects the Agency’s continued commitment to Getting people housed; Keeping people housed; and Helping people reach their fullest potential.

But the COVID-19 pandemic has laid bare the social, racial, and economic inequities facing the population we serve.

We are seeing some of the strongest advocacy in years for addressing those gaps. The fight to raise the national minimum wage. An infrastructure package that recognizes critical supports like senior and child care. The recent increase in the area median income limit in Montgomery County.

These changes attempt to address income inequity, but as Housers we know that addressing housing inequity also requires acknowledgement of the wealth gap.

Many customers faced job and wage loss, underemployment, and financial hardship throughout this past year, and that has been reflected in people’s ability to pay routine bills, like rent. These families have felt these impacts twofold because they lack the savings to help them weather an emergency or economic downturn.

We have seen bills at the state level start to address some of those gaps in housing equity, including introduction of a bill to help first time homeowners establish IDAs and build generational wealth through homeownership. We applaud these efforts and will use this progress to continue doing what we have always done – getting people housed, keeping them housed, and helping them reach their fullest potential.

ISSUES FOR CONSIDERATION:

OPERATING BUDGET

The **General Fund** includes costs associated with typical overhead departments including the Executive Division, Finance Division, IT & Facilities, and Legislative and Public Affairs. Also included in this fund, as a result of funding source decisions and the treatment of overhead, are portions of Property Management Administration, Maintenance Administration, Compliance, Real Estate, Mortgage Finance, and Resident Services. Costs within these divisions, that are treated as overhead, are allocated to the revenue generating programs via our Cost Allocation Plan.

The Recommended Operating Budget for FY 2022 is \$292.2 million. Please note that the FY 2022 Recommended Budget that was presented to the Commission on April 7th is balanced with a draw from the General Fund Operating Reserve (GFOR) of approximately \$1.5M (see **SLIDE 2**).

The chart on **SLIDE 3** reflects the distribution of the Source of Funds in the FY 2022 General Fund Recommended Budget. Fees received for **Agency Overhead** of **\$10.8M** account for **40.43%** of the total revenue in the fund. It is worth noting that the fees received do not fully cover the budgeted expenses of the General of **\$29.2M** as shown on **SLIDE 4** due to fees limits on some of the properties and grants, and the decision to not allocate overhead to the Real Estate Division since the source of funds for the majority of salaries and benefits in the division is the Opportunity Housing Reserve Fund (OHRF) and the fees would further deplete the reserve. This leaves approximately **\$18.4M** of expenses to be covered from our other revenue sources in the General Fund and unrestricted cash flow from our Non-Development Corporation properties.

The distribution of the Uses of Funds on **SLIDE 4** shows that personnel is the largest costs in the General Fund which is typical. It accounts for \$18.9M or 64.92% of the total expenses. Other Operating costs account for an additional \$7.5M or 25.54%. Finally, Non-Operating expenses which include debt service payments, contributions/restrictions to reserves and funding for capital represent the remaining \$2.8M or 9.54%.

As can be seen on **SLIDE 5**, the balance in the GFOR is projected to decrease a net \$2.9M by June 30, 2022 mainly due to the impacts of the Pandemic on rental income and expenses for both FY 2021 and 2022. The remaining balance of \$2.1M is only \$692k or .49% above the minimum 1% threshold that was set over 15 years ago. The current economic climate has made apparent the inadequacy of this threshold and it is unlikely that additional funds to increase the balance will be unavailable in the near future.

Based on the decreasing balance in the GFOR and uncertainties of how long the pandemic will impact our ability to generate income to cover costs and replenish the reserve, staff is proposing that \$4.27M of the balance in the Debt Service Reserve be transferred to the GFOR. The funds

referenced were deposited by properties that had temporary debt instruments at lower rates. These properties have converted or will shortly convert to permanent financing. The contributions reduced unrestricted cash flow, in the respective years, that would have been used to balance the budget or build reserves.

CAPITAL BUDGET

The chart on **SLIDE 6** depicts the FY 2022 Capital Budgets for our Facilities and IT totaling \$1.06M. Proposed funding for the Facilities and IT budgets is a transfer of funds from the Operating Budget.

BUDGET IMPACT:

None for FY'21. The budget, when adopted on June 2, 2021, will set the financial plan for the Agency for FY'22.

TIME FRAME:

During April and May, the Budget, Finance and Audit Committee will review the budget proposal in detail and recommend the FY'22 Budget, as amended, to the full Commission for adoption at the June 2, 2021 meeting. The Commission must adopt a budget for FY'22 before the fiscal year begins on July 1, 2021.

STAFF RECOMMENDATION & COMMISSION ACTION NEEDED:

No action is requested at this time.

Spreadsheets Highlighting FY 2022 General Fund Budget

Presentation of the FY 2022 General Fund Budget

April 20, 2021

Fund Summary

FY 2022 Recommended Budget

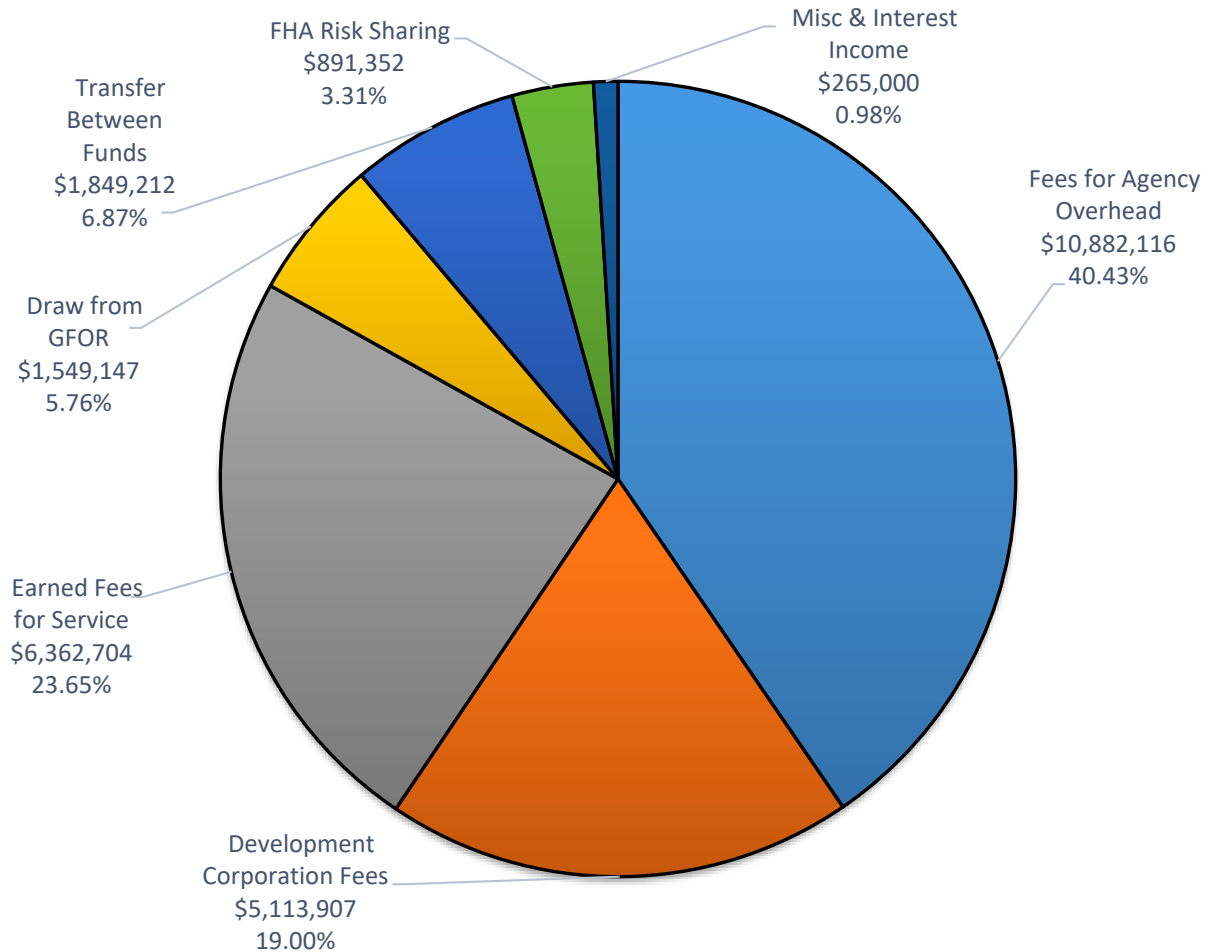
Fund Summary Overview		FY 2022 Recommended Budget		
		Revenues	Expenses	Net
General Fund		\$25,364,291	\$29,176,667	(\$3,812,376)
	Draw from GFOR	\$1,549,147	\$0	\$1,549,147
Multifamily Bond Funds		\$17,100,698	\$17,100,698	\$0
Single Family Bond Funds		\$9,595,474	\$9,595,474	\$0
Opportunity Housing Fund				
	Opportunity Housing Reserve Fund (OHRF)	\$5,895,910	\$1,623,436	\$4,272,474
	Restrict to OHRF	\$0	\$4,272,474	(\$4,272,474)
	Opportunity Housing & Development Corporation Properties	\$98,379,157	\$96,311,069	\$2,068,088
	Draw from GFOR for MetroPointe Deficit	\$195,141	\$0	\$195,141
Public Fund				
	Housing Choice Voucher Program (HCVP)	\$116,367,573	\$116,367,573	\$0
	Federal, State, and County Grants	\$17,773,660	\$17,773,660	\$0
TOTAL - ALL FUNDS		\$292,221,051	\$292,221,051	\$0

* Revenues and Expenses include inter-company
Transfer Between Funds

Source of Funds

FY 2022 Recommended Budget

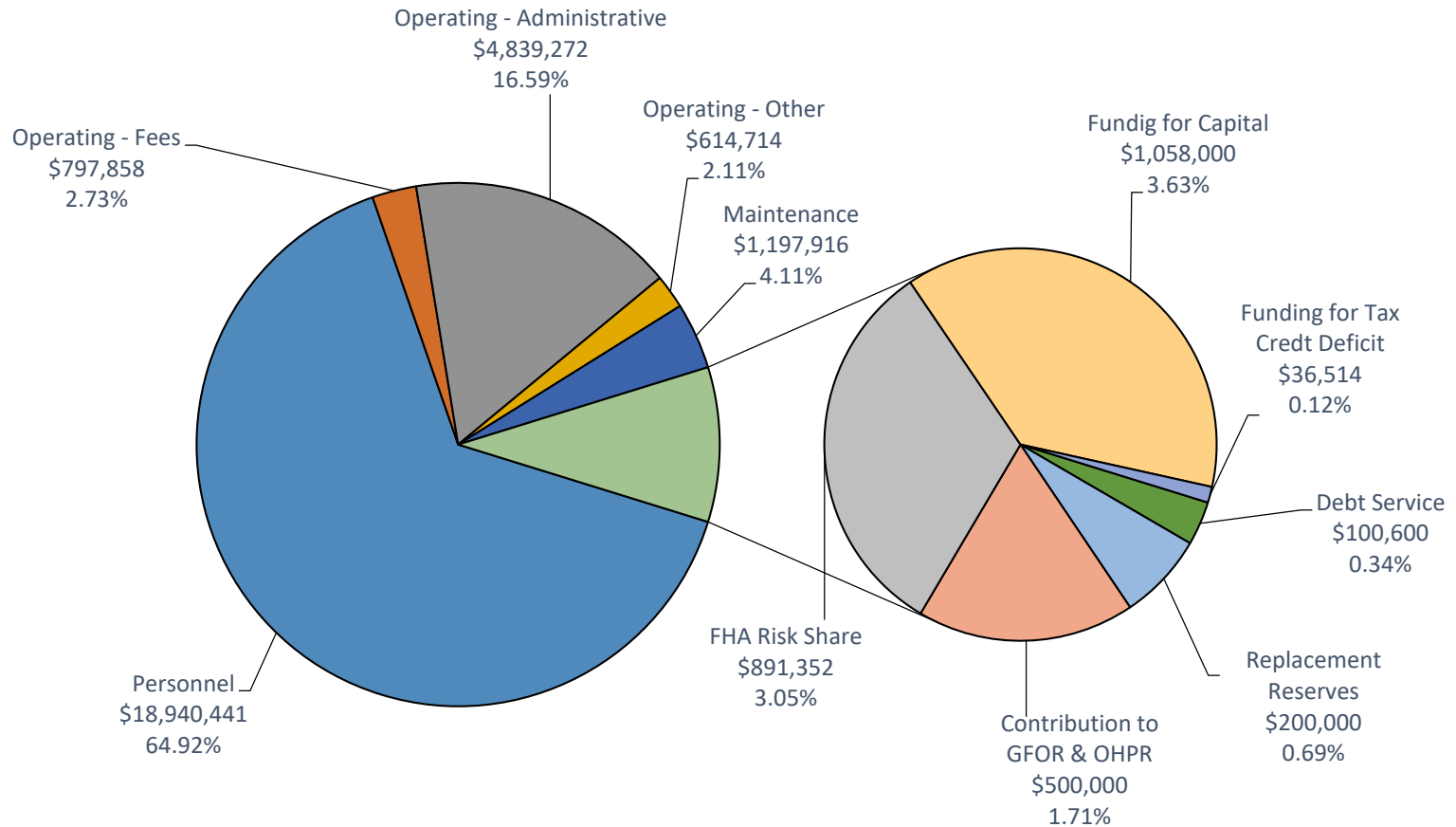
\$26,913,438



Use of Funds

FY 2022 Recommended Budget

\$29,176,667



General Fund Operating Reserve FY 2021 through FY 2022

General Fund Operating Reserve	FY 2021	FY 2022 Recommended Budget
Cash Balance End of Prior Fiscal Year	\$4,967,798	\$3,586,871
Source of Funds		
Budgeted Contribution	\$0	\$250,000
Bank Interest	\$1,828	\$1,800
SUBTOTAL	\$1,828	\$251,800
Uses of Funds		
Projected Draw to balance FY 2021 Budget	(\$1,047,443)	\$0
Projected Draw to balance FY 2022 Budget	\$0	(\$1,549,147)
MetroPointe FY 2020 Operating Deficit	(\$186,210)	\$0
MetroPointe FY 2021 Operating Deficit	(\$149,102)	\$0
MetroPointe FY 2022 Operating Deficit	\$0	(\$195,141)
SUBTOTAL	(\$1,382,755)	(\$1,744,288)
Projected Cash Balance as of June 30,	\$3,586,871	\$2,094,383
1% Operating Reserve Threshold	\$1,389,759	\$1,402,549
Overfunding	\$2,197,112	\$691,834

Computation of FY 2022 Minimum Operating Reserve Contribution:

FY 2022 Operating Budget	\$292,221,051
Housing Assistance Payment (HAP)	(\$107,496,342)
Federal, State and County Grant	(\$17,773,660)
Bond Fund	(\$26,696,172)
	(\$151,966,174)
FY 2022 Adjusted Operating Budget	\$140,254,877
FY 2022 Minimum Operating Reserve of 1%	\$1,402,549

Capital Budget

FY 2022 Recommended Budget

Capital Improvement Budgets Facilities & IT Department	FY 2022 Recommended Budget	
	Total Expenses	Revenue Sources Operating Budget
Facilities		
East Deer Park	\$95,000	\$95,000
Kensington	\$100,000	\$100,000
880 Bonifant	\$82,000	\$82,000
Subtotal - Facilities	\$277,000	\$277,000
Information Technology (IT)		
Computer Software	\$451,000	\$451,000
Computer Equipment	\$330,000	\$330,000
Subtotal - IT Improvements	\$781,000	\$781,000
TOTAL	\$1,058,000	\$1,058,000

MEMORANDUM

TO: Housing Opportunities Commission Budget, Finance and Audit Committee

VIA: Stacy L. Spann, Executive Director

FROM: Staff: Cornelia Kent Division: Finance Ext. 9754
 Terri Fowler Ext. 9507
 Tomi Adebo Ext. 9472

RE: **Budget Presentation:** Presentation of the FY 2022 Public Fund

DATE: April 20, 2021

BACKGROUND:

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But the COVID-19 pandemic has laid bare the social, racial, and economic inequities facing the population we serve.

We are seeing some of the strongest advocacy in years for addressing those gaps. The fight to raise the national minimum wage. An infrastructure package that recognizes critical supports like senior and child care. The recent increase in the area median income limit in Montgomery County.

These changes attempt to address income inequity, but as Housers we know that addressing housing inequity also requires acknowledgement of the wealth gap.

Many customers faced job and wage loss, underemployment, and financial hardship throughout this past year, and that has been reflected in people’s ability to pay routine bills, like rent. These families have felt these impacts twofold because they lack the savings to help them weather an emergency or economic downturn.

We have seen bills at the state level start to address some of those gaps in housing equity, including introduction of a bill to help first time homeowners establish IDAs and build generational wealth through homeownership. We applaud these efforts and will use this progress to continue doing what we have always done – getting people housed, keeping them housed, and helping them reach their fullest potential.

ISSUES FOR CONSIDERATION:

The **Public Fund** includes the various Federal and County Grants that support the customers of the Agency.

Housing Choice Voucher Program (HCVP)

The largest grant is for the Housing and Urban Development (HUD) funded HCVP which provides funding for rental subsidy payments to landlords and the administrative costs of running the program. This program serves families with average annual incomes of \$19,549. Approximately 89% of the payments are made to non-HOC landlords.

Thus far we have not introduced any changes to the Recommended Operating Budget for FY 2022 of \$292.2 million that is balanced with a draw from the General Fund Operating Reserve (GFOR) of approximately \$1.5M (see **SLIDE 2**).

The chart on **SLIDE 3** shows that funding in the Recommended Budget for the HCVP was projected at \$115.8M comprised of income of \$106.9M for Housing Assistance Payments (HAP) and \$8.9M for administrative costs of the program. Based on the projected payments to landlords of \$107.5M, the budget included a draw from the HAP reserve or Net Restricted Position (NRA) of \$599k, which includes funds received in prior years that were recognized but not used. The total reserve balance as of December 31, 2020 was \$3.7M in HUD held reserves and \$1.7M in reserves held at the Agency for a total of \$5.4M due in part from the additional HAP funding for Covid 19.

The FY 2022 Recommended Budget was based on CY 2020 HUD funding. Recently, HUD provided CY2021 funding which resulted in an increase of available HAP funds of \$2.6M. Based on the latest utilization projections, the change in the **Revised** Budget results in removing the projected draw of \$599k from the Reserves (NRP) and contributing \$2.9M to the reserve. The recent utilization projections have decreased slightly based on lower utilization in February and will result in achieving 97.1% utilization by June 30, 2022. If utilization can be increased to the original goal of 98% the contribution will decrease accordingly.

The revised utilization projections result in a decrease in Administrative Fee income of **(\$72k)** as the income is based on utilization. In addition, fees paid to the Agency for overhead, which are also based on utilization, decrease by **(\$14k)**. The net effect of these changes results in a reduction to the planned restriction of \$375k in excess administrative fees projected in the Recommended Budget of **(\$58k)** to \$318k. These funds will be available for future administrative cost of the program.

The chart on **SLIDE 4** show that the total \$8.5M of administrative expenses in the program's Revised Budget are comprised of personnel costs of \$5.0M or 59%, operating fees of \$2.0M or 23%, and other administrative expenses of \$1.5M or 18%.

Other Federal and County Grants

Other Federal Grants reflected in the chart on **SLIDE 5** shows that the total for FY 2022 has increased \$76k from FY 2021 based on the increase in the Fatherhood Program Grant which was awarded for another 5-Year period at an increased amount of \$998k or \$372k more than the previous award. We have not received an increase thus far for the McKinney or FSS ROSS grants.

The chart on **SLIDE 6** displays the County Grants included in the FY 2022 Budget.

The proposed funding for the FY 2022 County Contract is \$6.9M of which \$5.6M or 81.6% supports our Resident Services Division, \$1.2M or 16.9% supports Housing Association (HOA) Fees, utilities and rental license fees at our properties, and \$100k or 1.5% supports rent at the customer Service Centers. At this time the County has not proposed a reduction to the Grant; however; it is worth noting that the budget will be presented to the County Council for approval in May 2021 and that even if approved, savings plan have been implemented post-adoption in prior years including 2021.

The County Contract reflected in this chart shows a greater increase from FY 2021 due to the County Savings Plan which reduced our funding by **(\$205k)**. Closing Cost funding has decreased by a small amount based on projected cost as this is a reimbursable grant. We have not yet received new funding levels (typically increased 3%) for the Recordation Tax Funded Programs which include the Rent Supplement Program, Move Up Initiative, Community Choice Homes Initiative, and Youth Bridge Initiative.

The changes introduced in this packet are reflected on **SLIDE 7**. As a result of the reduced management fees paid to the Agency from the HCVP based on utilization, the budget now shows a shortfall of **(\$14k)**. Staff anticipates that additional changes will be introduced at the BF&A meeting on May 11th. Proposal for balancing will be discussed in a closed session following that meeting.

BUDGET IMPACT:

None for FY'21. The budget, when adopted on June 2, 2021, will set the financial plan for the Agency for FY'22.

TIME FRAME:

Staff has provided the FY 2022 Recommended Budget to the County. During April and May, the Budget, Finance and Audit Committee will review the budget proposal in detail and recommend the FY'22 Budget, as amended, to the full Commission for adoption at the June 2, 2021 meeting. The Commission must adopt a budget for FY'22 before the fiscal year begins on July 1, 2021.

STAFF RECOMMENDATION & COMMISSION ACTION NEEDED:

No action is requested at this time.

Spreadsheets Highlighting FY 2022 Public Fund Budget

Budget, Finance & Audit Committee Meeting Public Fund

April 20, 2021

Fund Summary

FY 2022 Recommended Budget

Fund Summary Overview

FY 2022 Recommended Budget

		Revenues	Expenses	Net
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Public Fund				
	Housing Choice Voucher Program (HCVP)	\$116,367,573	\$116,367,573	\$0
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TOTAL - ALL FUNDS		\$292,221,051	\$292,221,051	\$0

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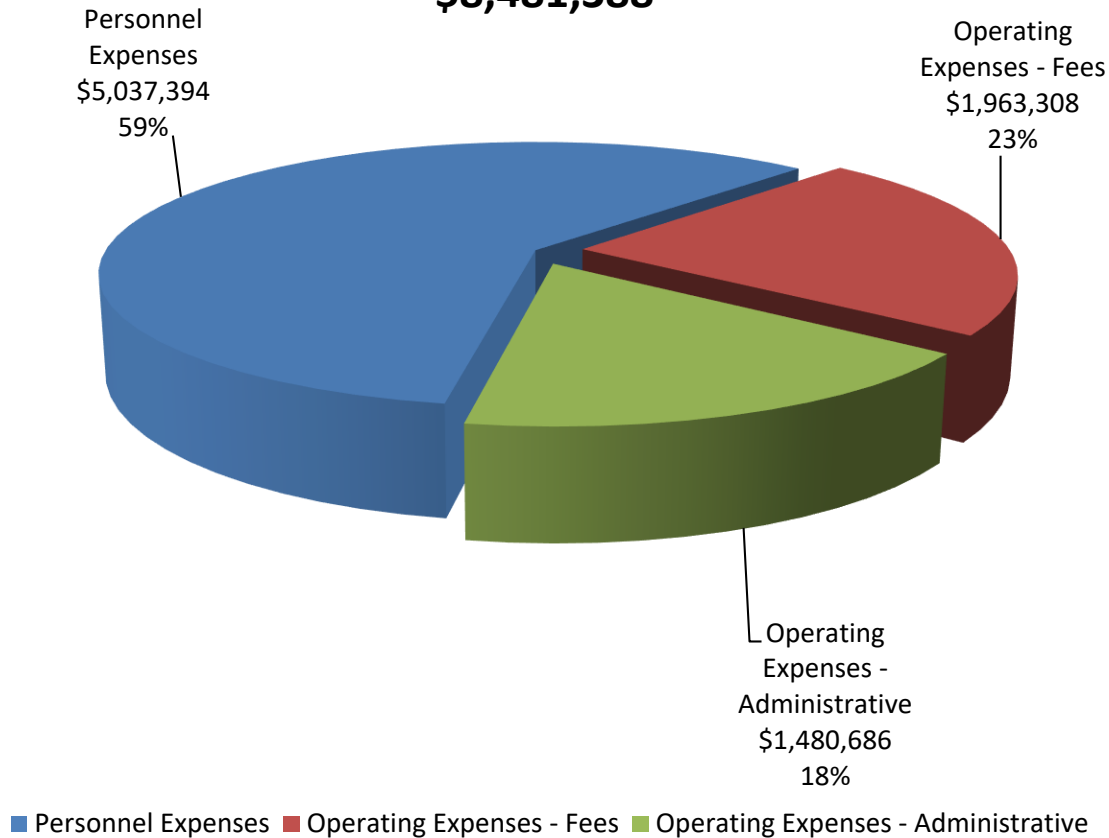
Housing Choice Voucher Overview

FY 2018 through FY 2022

Housing Choice Voucher Program	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Amended Budget	FY 2022 Recommended Budget	FY 2022 Revised Budget	FY 2022 Recommended to Revised \$ Change	% Change
Income								
Housing Assistance Payments (HAP)	\$90,595,051	\$97,969,317	\$102,208,159	\$99,707,432	\$106,897,248	\$109,505,003	\$2,607,755	2.4%
Public Housing Operating Subsidy	\$0	\$71,276	\$0	\$0	\$0	\$0	\$0	0.0%
Other Federal Grants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
Administrative Fee Income	\$6,998,217	\$7,913,123	\$8,399,973	\$8,225,299	\$8,821,231	\$8,749,136	(\$72,095)	-0.8%
Fraud Recovery Admin Income	\$17,737	\$8,843	\$57,707	\$60,000	\$50,000	\$50,000	\$0	0.0%
Investment Interest Income	(\$2)	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
Draw from HAP Reserve (NRA)	\$305,652	\$0	\$0	\$0	\$599,094	\$0	(\$599,094)	-100.0%
Administrative Fee Income - Carryover	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
Transfer Between Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
Total Income	\$97,916,655	\$105,962,559	\$110,665,839	\$107,992,731	\$116,367,573	\$118,304,139	\$1,936,566	1.7%
Expenses								
Personnel Expenses	\$3,683,163	\$4,192,275	\$4,404,326	\$4,871,566	\$5,037,394	\$5,037,394	\$0	0.0%
Operating Expenses - Fees	\$1,659,458	\$1,726,389	\$1,724,943	\$1,937,324	\$1,977,699	\$1,963,308	(\$14,391)	-0.7%
Operating Expenses - Administrative	\$854,113	\$1,453,789	\$1,438,029	\$1,395,645	\$1,480,686	\$1,480,686	\$0	0.0%
Tenant Services Expenses	\$150	\$7,072	\$0	\$0	\$0	\$0	\$0	0.0%
Housing Assistance Payments (HAP)	\$90,900,703	\$97,373,218	\$99,213,734	\$98,532,498	\$107,496,342	\$106,615,331	(\$881,011)	-0.8%
Interest Payment	\$0	\$19	\$0	\$0	\$0	\$0	\$0	0.0%
Contribution to HAP Reserve (RNP)	\$0	\$596,098	\$2,994,424	\$1,174,934	\$0	\$2,889,672	\$2,889,672	0.0%
Contribution to Admin Reserve (UNP)	\$819,068	\$613,699	\$890,383	\$80,764	\$375,452	\$317,748	(\$57,704)	-15.4%
Total Expenses	\$97,916,655	\$105,962,559	\$110,665,839	\$107,992,731	\$116,367,573	\$118,304,139	\$1,936,566	1.7%
NET CASH FLOW	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0%

FY 2022 Revised Budget Expense Overview (Excluding HAP)

**Total Expenses w/o HAP
\$8,481,388**



Grants Overview

Federal Grants

	FY 2018 Actual	FY 19 Actual	FY 20 Actual	FY 2021	FY 2022	FY 2021 to FY 2022	
				Amended	Recommended	\$ Change	% Change
				Budget	Budget		
Capital Fund Program	\$195,293	\$44,639	\$136,969	\$0	\$0	\$0	0.0%
Fatherhood Initiative	\$523,691	\$604,258	\$625,673	\$922,267	\$998,000	\$75,733	8.2%
McKinney Grants	\$3,968,803	\$4,026,204	\$4,358,121	\$4,073,133	\$4,073,130	(\$3)	0.0%
ROSS Grants	\$428,257	\$360,353	\$343,978	\$392,112	\$392,113	\$1	0.0%
TOTAL - FEDERAL FUNDS	\$5,116,044	\$5,035,454	\$5,464,741	\$5,387,512	\$5,463,243	\$75,731	1.4%

Grants Overview

State & County Grants

STATE GRANTS	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021	FY 2022	FY 2021 to FY 2022	
				Amended Budget	Recommended Budget	\$ Change	% Change
State Rental Assistance Program	\$105,990	\$61,472	\$0	\$0	\$0	\$0	0.0%
TOTAL STATE FUNDING	\$105,990	\$61,472	\$0	\$0	\$0	\$0	0.0%

COUNTY GRANTS	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021	FY 2022	FY 2019 to FY 2020	
				Amended Budget	Recommended Budget	\$ Change	% Change
County Contract	\$6,406,152	\$6,580,066	\$6,788,050	\$6,619,693	\$6,909,830	\$290,137	4.4%
Resident Services	\$4,565,030	\$4,812,023	\$5,003,621	\$5,060,421	\$5,626,831	\$566,410	11.2%
Property Management	\$1,058,745	\$1,110,834	\$1,150,213	\$1,168,862	\$1,182,999	\$14,137	1.2%
Customer Service Center - Client Services	\$682,377	\$557,209	\$534,216	\$290,410	\$0	(\$290,410)	-100.0%
Customer Service Center - Rents	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$0	0.0%
County Closing Cost	\$177,012	\$177,644	\$178,356	\$176,536	\$175,116	(\$1,420)	-0.8%
Rent Supplement Program	\$1,734,186	\$1,779,546	\$1,650,400	\$2,056,554	\$2,056,554	\$0	0.0%
Move Up Initiative	\$72,969	\$126,546	\$121,078	\$182,901	\$182,904	\$3	0.0%
Community Choice Homes Initiative	\$58,056	\$213,792	\$131,833	\$679,307	\$679,308	\$1	0.0%
Youth Bridge Initiative	\$9,980	\$95,383	\$73,926	\$91,465	\$91,464	(\$1)	0.0%
McKinney Grants	\$604,498	\$619,042	\$823,292	\$634,589	\$634,587	(\$2)	0.0%
Service Coordinators	\$257,225	\$89,375	\$0	\$0	\$0	\$0	0.0%
*Miscellaneous Programs	\$436,893	\$350,506	\$330,390	\$352,525	\$352,526	\$1	0.0%
TOTAL COUNTY FUNDING	\$9,756,971	\$10,031,900	\$10,097,325	\$10,793,570	\$11,082,289	\$288,719	2.7%
Total State and County Funding	\$9,862,961	\$10,093,372	\$10,097,325	\$10,793,570	\$11,082,289	\$288,719	2.7%

*Miscellaneous Programs are: Housing Locator, Senior Nutrition, Service Core-Turnkey, MD Emergency Food Program, and Emergency Assistance.

Fund Summary

FY 2022 Revised Budget

Fund Summary Overview		FY 2022 Revised Budget		
		Revenues	Expenses	Net
General Fund		\$25,364,291	\$29,176,667	(\$3,812,376)
Adjust Fees for Agency Overhead		(\$14,391)	\$0	(\$14,391)
Draw from GFOR		\$1,549,147	\$0	\$1,549,147
Multifamily Bond Funds		\$17,100,698	\$17,100,698	\$0
Single Family Bond Funds		\$9,595,474	\$9,595,474	\$0
Opportunity Housing Fund				
Opportunity Housing Reserve Fund (OHRF)		\$5,895,910	\$1,623,436	\$4,272,474
Restrict to OHRF		\$0	\$4,272,474	(\$4,272,474)
Opportunity Housing & Development Corporation Properties		\$98,379,157	\$96,311,069	\$2,068,088
Draw from GFOR for MetroPointe Deficit		\$195,141	\$0	\$195,141
Public Fund				
Housing Choice Voucher Program (HCVP)		\$116,367,573	\$116,367,573	\$0
HAP Funding Rebenchmarked for CY 2021		\$2,607,755	\$0	\$2,607,755
Revise HAP expenses based on utilization		\$0	(\$881,011)	\$881,011
Revise Draw / Contribution to HAP Reserve (RNP) based on utilization		(\$599,094)	\$2,889,672	(\$3,488,766)
Revise Administrative Revenue based on utilization		(\$72,095)	\$0	(\$72,095)
Revise Mgmt Fee and Bookkeeping Fees based on utilization		\$0	(\$14,391)	\$14,391
Revise Contribution to Admin Reserve (UNP) based on utilization and expenses		\$0	(\$57,704)	\$57,704
Federal, State, and County Grants		\$17,773,660	\$17,773,660	\$0
TOTAL - ALL FUNDS		\$294,143,226	\$294,157,617	(\$14,391)

* Revenues and Expenses include inter-company
Transfer Between Funds